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**COMMERCIAL FISHERMEN
FOR
BRISTOL BAY**



**SPORTSMEN
OF BRISTOL BAY**



Via Email and Regular Mail

July 24, 2019

Randy Smallwood
President & Chief Executive Officer
Wheaton Precious Metals Corp.
Suite 3500 - 1021 West Hastings St.
Vancouver, BC Canada V6E 0C3

Dear Mr. Smallwood:

We write to express concern regarding any potential investment in the Pebble Mine (or “Pebble Project”)—a massive low-grade copper and gold mine proposed by Northern Dynasty Minerals Ltd. to be sited at the remote and ecologically sensitive headwaters of Bristol Bay, Alaska. Notwithstanding the “industry friendly” Trump Administration, Northern Dynasty Minerals faces significant permitting, social, and economic hurdles to develop the proposed Pebble Project.

We are writing you and a number of other precious metals streaming companies because we continue to hear reports from Northern Dynasty Minerals (“Northern Dynasty”) that it is actively seeking new investment, consortium, or funding partners—including potential royalty and streaming deals.¹ Before making any investment decisions, we suggest that you complete a full assessment of this uniquely risky project—and factor the information provided below into your risk-return equation.

As discussed in more detail below, Pebble Mine will have significant environmental and social impacts that pose financial, regulatory, operational, legal, and reputational risks for any company that seeks to participate in this embattled venture. Notwithstanding the self-serving assurances that, for over a decade, have been repeated against all reason by Northern Dynasty and its leadership, the company continues to face significant hurdles to development of the proposed Pebble Project. First and foremost is the unrelenting and overwhelming consensus of opposition, which, rather than diminishing, is intensifying. Please find attached, for example, a full-page “Message to Investors” from the tribal, economic, and political leaders of Bristol Bay, published last month in the New

York Times. This is only the latest indication of the well documented history of widespread, diverse opposition to the Pebble Mine that has long existed in Bristol Bay and indeed throughout Alaska.

Also attached is an extraordinary condemnation of the Pebble Mine, published in May in the Washington Post, signed by former Environmental Protection Agency (“EPA”) Administrators from the Administrations of Presidents Richard Nixon, Ronald Reagan, George H.W. Bush, and George W. Bush, including William D. Ruckelshaus (Presidents Nixon and Reagan), William K. Reilly (President George H.W. Bush), and Christine Todd Whitman (President George W. Bush), as well as by former Secretary of the Interior Bruce Babbitt (President William J. Clinton). Their message is clear: “The Pebble Mine is the wrong mine in absolutely the wrong place.” This unequivocal, bipartisan consensus statement by former EPA Administrators with regard to a matter pending before a successor EPA Administrator is virtually unprecedented and demonstrates the singular opposition that this project faces.

Finally, we attach the January 23, 2019 letter from Bristol Bay leaders to Pebble Partnership CEO Tom Collier registering their strong disagreement with statements and assurances made by him with respect to the company’s current mine plan and permit application. In addition to specific responses to Mr. Collier’s claims, the letter forcefully reaffirms the commitment of local opposition to the project:

To be crystal clear, we remain committed to doing everything within our power to protect the Bristol Bay region from the Pebble Mine. While we hear your frustration at the continuing opposition to your project by BBNC [Bristol Bay Native Corporation] and so many others, your correspondence, in language and substance, reflects again the kind of clumsy duplicity and hollow assurances that, over the past decade, have plagued the Pebble project and its last remaining partner, Northern Dynasty Minerals. . . . We will never relent in our defense of Bristol Bay – for our communities, our families, and future generations.ⁱⁱ

As described more fully below, the Pebble Partnership will never achieve the social license necessary to build its mine in Bristol Bay. We urge you to consider other, potentially far more economically attractive and less risky projects in which to invest, and we would welcome the opportunity to discuss this with you at your earliest convenience.

1. Financial Risks

All the major investors in the proposed Pebble Mine have withdrawn from the project. Mitsubishi withdrew in 2011. Anglo American withdrew in 2013, after spending more than \$540 million dollars to develop the mine and writing down \$300 million in additional losses to withdraw, citing a desire to focus on projects with the “highest value and lowest risks.”ⁱⁱⁱ Rio Tinto walked away in 2014, donating all of its Northern Dynasty Minerals shares to two Alaskan charitable foundations.^{iv} Most recently, in 2018 First Quantum Minerals rejected a “framework agreement” with Northern Dynasty Minerals that would have given it the option to partner in the mine. Notably, First Quantum had already invested more than \$37 million towards permitting the project before walking away.^v

Northern Dynasty Minerals’ most recent consolidated financials explicitly acknowledge the critical need to obtain additional financing, as well as “substantial doubt about the Company’s ability to continue”:

As at December 31, 2018, the Group has [C]\$14,872 in cash and cash equivalents for its operating requirements. For the years ended December 31, 2018 and 2017, the Group incurred a net loss of [C]\$15,957 and [C]\$64,865, respectively, and had a deficit

[C]\$486,913 as at December 31, 2018. In the current year, income relating to the non-refundable early option price installment was recognized on the termination of the framework agreement (note 3(a)). Subsequent to the reporting period, the Group completed a bought deal financing for gross proceeds of US\$11,500 (note 15(c)) and a private placement for gross proceeds of [C]\$3,242 (US\$2,412) (note 15(d)). The Group has prioritized the allocation of its financial resources in order to meet key corporate and Pebble Project expenditure requirements in the near term. Additional financing will be required in order to progress any material expenditures at the Pebble Project and for working capital requirements. Additional financing may include any of or a combination of debt equity and/or contributions from possible new Pebble Project participants. There can be no assurances that the Group will be successful in obtaining additional financing. If the Group is unable to raise the necessary capital resources and generate sufficient cash flows to meet obligations as they come due, the Group may, at some point, consider reducing or curtailing its operations. As such, there is material uncertainty that raises substantial doubt about the Group's ability to continue as a going concern.^{vi}

Those consolidated financial statements also acknowledge that the company is still in the process of “exploring and developing the Pebble Project and has not yet determined whether the Pebble Project contains mineral reserves that are economically recoverable.”^{vii} It then warns investors of the risk:

[Northern Dynasty's] continuing operations and the underlying value and recoverability of the amounts shown for the Group's mineral property interests, is entirely dependent upon the existence of economically recoverable mineral reserves; the ability of the Group to obtain financing to complete the exploration and development of the Pebble Project; the Group obtaining the necessary permits to mine; and future profitable production or proceeds from the disposition of the Pebble Project.^{viii}

Northern Dynasty Minerals has even warned investors that “[e]nvironmental concerns in general continue to be a significant challenge for Northern Dynasty Unexpected environmental damage from spills, accidents and severe acts of nature such as earthquakes are risks which may not be fully insurable and if catastrophic could mean the total loss of shareholders' equity.”^{ix} The company acknowledged that “[i]t is possible that the costs and delays associated with compliance with such standards and regulations could become such that we would not proceed with the development or operation.”^x

2. Environmental Risks

If fully developed -- or even if developed over time in smaller segments -- the Pebble Project would be one of the largest mines in North America, producing up to 10 billion tons of mining waste that would have to be stored—forever—in the rivers, streams and wild lands of Bristol Bay's high-quality salmon habitat. Salmon are the economic backbone of the region and contribute as well to the regional community's cultural foundation. An economic report released by researchers at the University of Alaska found that the Bristol Bay commercial salmon fishery is worth \$1.5 billion

annually, making it the most valuable wild salmon fishery in the world.^{xi} Not only do salmon sustain a prized commercial fishery, they also sustain world-class sports fishing, a subsistence-based economy for Alaska Natives, and 14,000 jobs.^{xii} In the summer of 2018 alone, the fishery produced a record-breaking 62.3 million wild salmon.^{xiii} Given its location at the headwaters of the Bristol Bay watershed, the extremely wet climate and the high acid rock drainage risk posed by the ore body, any mining of the Pebble deposit—including the newly proposed smaller mine plan—would put salmon—which are highly sensitive to dissolved copper concentrations as low as two to three parts per billion—at great risk.

The U.S. EPA conducted a scientific assessment of the Bristol Bay watershed to understand impacts from large-scale mining like the proposed Pebble Mine on Bristol Bay fisheries—and the consequent effects on wildlife and Alaska Native cultures in the region. EPA’s Bristol Bay Watershed Assessment—which was subject to extensive public comment and two rounds of expert peer review—concluded that even the smallest mining scenario of the Pebble deposit would have “significant” impacts on fish populations and streams surrounding the mine site, and that a tailings dam failure would have “catastrophic” effects on the region.^{xiv} EPA underscored that even with no human or system failure (impossible in the long-term), a mine of *any* foreseeable size would reduce water flow in the region, directly eliminating between 1,300 to 5,350 acres of wetlands and destroying between 24 and 94 miles of salmon-supporting streams.^{xv} EPA evaluated three mining scenarios; even the smallest—1/5th the size what Northern Dynasty Minerals currently proposes and which is not likely economically feasible unless further developed—would result in “unacceptable adverse effects,” the threshold for EPA intervention under Section 404(c) of the Clean Water Act.

3. Regulatory Risks

The EPA has the unequivocal authority under Section 404(c) of the Clean Water Act to stop dredge and fill projects “whenever” failure to do so would result in unacceptable adverse environmental effects.^{xvi} Several federally-recognized tribes in Alaska petitioned EPA to use its authority under Section 404(c) to protect Bristol Bay from large-scale mining like the Pebble Mine. EPA received similar requests from the Bristol Bay Native Corporation (a multi-billion dollar developer and the largest land-owner in the Bristol Bay region representing more than 10,000 native shareholders), the Bristol Bay Native Association (a non-profit corporation and tribal consortium serving the 31 federally recognized tribes in the Bristol Bay region), United Tribes of Bristol Bay (a consortium of 15 federally recognized tribes in the Bristol Bay region opposed to the Pebble Mine), commercial fishing and sportsmen groups, chefs, jewelers, investors, churches, business owners, and environmental and conservation groups. In response, EPA conducted the Bristol Bay Watershed Assessment discussed above. Based on this information, in July 2014 EPA issued a Proposed Determination under Section 404(c) of the Clean Water Act to restrict the use of certain waters in the Bristol Bay watershed for disposal of dredged or fill material associated with developing the Pebble Mine.^{xvii} If finalized, EPA’s Proposed Determination would impose restrictions on the size of the Pebble Mine.

Under the Trump Administration and during the brief tenure of EPA Administrator Scott Pruitt, however, the agency proposed withdrawing its 2014 Proposed Determination.^{xviii} After receiving more than 1 million comments—99.8 percent of which urged EPA to retain, not withdraw, its mining restrictions on the proposed Pebble Mine—the agency reversed course once again and left the Proposed Determination in place. Former EPA Administrator Scott Pruitt noted that “*any mining projects in the region likely pose a risk to the abundant natural resources that exist there. Until we know the full extent of that risk, those natural resources and world-class fisheries deserve the utmost protection.*” Furthermore, Pebble’s permit “application must clear a high bar, because EPA believes the risk to Bristol Bay may be unacceptable.”^{xix} Although EPA General Counsel Matthew Leopold recently issued a memorandum asking EPA Region 10 to “resume its

consideration whether to withdraw the 2014 Proposed Determination,”^{xx} the Proposed Determination currently remains in place.

What remains clear is that EPA’s Bristol Bay Watershed Assessment provides indisputable evidence of the unacceptable adverse impacts that mining would cause in the region. In other words, even if EPA withdraws or does not finalize a 404(c) determination *now*, the agency could proceed with restrictions at *any* time in the future. This creates even greater risk and uncertainty for the project. The D.C. Court of Appeals has held that EPA may “prohibit/deny/restrict/withdraw a specification *at any time*”^{xxi}—before, during, *or after* the permitting process. Therefore, a mining permit issued by the Trump administration could easily be withdrawn or restricted by a future law-abiding administration even after significant funds (beyond the hundreds of millions already invested) have been expended for research, development, and construction. The threat of a federal permit denial or withdrawal will never go away and will remain long after the Trump administration.

In addition to EPA’s power to prohibit or restrict the mine at any time, the state of Alaska also has the regulatory power to block the project. Although Alaska Governor Mike Dunleavy is pro-development, he has said: “If I am asked to make an important policy decision such as Pebble, I would base that decision on science and facts rather than rely upon innuendo, mass-media advertising or political posturing.”^{xxii} And for the first time ever, last year the state of Alaska imposed a \$2 million performance guarantee bond on Northern Dynasty Minerals’ otherwise routine miscellaneous land use permit.^{xxiii} Performance guarantee bonds are usually required when there are concerns that the company will not comply with the permit conditions or applicable regulations. Until now, this kind of bond has not been required of Pebble during the decades of exploration work in Bristol Bay.^{xxiv}

The “Bristol Bay Forever” initiative—passed in 2014 and separate from the “Stand For Salmon” initiative that failed in 2018—also has the potential to derail the project.^{xxv} The Bristol Bay Forever initiative protects the Bristol Bay watershed from large-scale sulfide mining (like the proposed Pebble Mine) that would harm wild salmon by requiring an affirmative finding from the Alaska legislature that mining would not be harmful to wild salmon within the Bristol Bay Fisheries Reserve.

Finally, the mine plan being reviewed by the U.S. Army Corps of Engineers in its Draft Environmental Impact Statement (EIS) would only allow development of ten percent of the known ore body. In order to access the much higher-grade zones at depth on the eastern side of the ore body, a new EIS would be required to accommodate a new and much larger tailings impoundment, and either a substantially larger open pit (with an order of magnitude increase in waste rock production) or a block cave underground mine. The environmental impacts and risks from such a development would also almost certainly be an order of magnitude greater. Large-scale development of the higher-grade eastern side of the ore body would also likely impact portions of Upper Talarik Creek which are officially closed to mining by the State of Alaska’s Department of Natural Resources Mineral Closing Order 393. This order was promulgated in 1984 with the intention of protecting critical fish habitat across the State from the effects of placer mining specifically but would almost certainly cover the much more intense and permanent impacts associated with bedrock mining.

4. Operational Risks

To transport gold and copper from the mine site to market, Northern Dynasty Minerals will have to construct massive infrastructure, including a marine terminal in Cook Inlet, roads, pipelines, and even infrastructure in Lake Iliamna to support a southern ferry route. In order to construct roads, Northern Dynasty Minerals must acquire access rights from area landowners. Despite a recent lands

access agreement with the Alaska Peninsula Corporation, there remain numerous native corporations, tribes and other residents who currently oppose the mine and will not willingly provide access rights, including the Bristol Bay Native Corporation:

PLP does not have BBNC's permission to trespass our subsurface lands or utilize our subsurface resources for the construction of a transportation corridor anywhere around Lake Iliamna. In addition, Pedro Bay Corporation, which owns the surface lands on the eastside of Lake Iliamna that would be needed for any northern transportation corridor for the mine, has reiterated its opposition to Pebble Mine.^{xxvi}

5. Legal Risks

A coalition of local communities, tribal governments, the commercial and sport fishing industries, conservation groups, sports groups, and numerous business interests have formed to oppose the mine. Stakeholders have filed challenges against the exploration permits, land use plan, and water rights for the project, as well as intervened on behalf of EPA in lawsuits filed by the Pebble Partnership. Stakeholders are also preparing litigation against the EPA should it formally withdraw its Clean Water Act restrictions or alter its 404(c) regulations.

In addition, stakeholders continue to adamantly oppose any permits for the mine. Pebble submitted a woefully inadequate permit application to the U.S. Army Corps of Engineers (Army Corps) in December 2017. In response, the Army Corps is moving ahead with a NEPA process that disregards science, excludes public opinion and ignores historic precedence regarding EIS requirements and process.

The comment period for the Army Corps' Draft EIS (DEIS) recently closed, and the overwhelming consensus is that the DEIS is fatally flawed and a permit should not issue. There are a wide array of issues that undermine the integrity of the DEIS and the permit process as a whole, including, for example, limiting tribal and agency consultation, ignoring missing information,^{xxvii} and allowing baseline data collection and various scientific studies to occur after the EIS and permitting decisions are made.^{xxviii} Wetlands, rivers and streams that will be impacted by the proposed mine have not been mapped. Fish, water quality, hydrologic studies and wildlife surveys are missing or incomplete.

The DEIS contains no reclamation and closure plan, no tribal health impact assessment, no analysis under the Clean Water Act 404(b)(1) guidelines, no description of financial assurances, no catastrophic tailings dam failure analysis, and no bench or pilot testing of the experimental water treatment system. The DEIS also lacks an adequate wetlands compensatory mitigation plan. And it fails entirely to analyze a reasonable range of alternatives or consider direct, indirect, and cumulative impacts to wetlands, water quality, fish, wildlife, and subsistence communities.

In its comments submitted to the Army Corps, EPA cited multiple instances where the DEIS failed to use available data to fully evaluate how the Pebble Project would affect Bristol Bay's wetlands, streams and salmon fishery. EPA concluded the DEIS likely "underpredicts" the impacts Pebble could have on water quality, salmon and air quality. Further, the DEIS does not "support a reasonable judgment" that the project will comply with the Clean Water Act. EPA found that Pebble may have "substantial and unacceptable adverse impacts" on fisheries in Bristol Bay.^{xxix}

The Department of Interior (DOI) was equally critical in its comment letter:

After thorough review, we believe the DEIS has major outstanding issues related

to an overreliance on qualitative, subjective, and unsupported conclusions.

Based on these identified deficiencies, the DEIS is so inadequate that it precludes meaningful analysis.

In summary, the DEIS does not fully discuss the potential impacts of the proposed mining activity on DOI-managed resources and lacks a number of important analyses that are necessary to adequately assess the project. Therefore, we recommend that the USACE prepare a revised or supplemental DEIS to resolve the significant gaps in the current document.^{xxx}

As noted in the comments submitted by former EPA Administrators William D. Ruckelshaus (Presidents Nixon and Reagan), William K. Reilly (President George H.W. Bush), and Christine Todd Whitman (President George W. Bush), as well as former Secretary of the Interior Bruce Babbitt (President William J. Clinton):

We oppose the Trump Administration's efforts to sweep nearly a decade of science and Clean Water Act review under the rug. The record is clear: The Pebble Mine is fundamentally flawed — it's the wrong mine in the wrong place. And the choice is simple. Protect the greatest salmon fishery on the planet. Protect Alaskans and the Bristol Bay watershed. For these reasons, we oppose issuance of a permit by the U.S. Army Corps of Engineers for development of the Pebble Mine.^{xxxi}

Richard Borden – a 23-year Rio Tinto mining expert, permitting specialist, and former Head of Environment for its copper, diamonds, and coal divisions who has overseen permitting for 50 major mining projects around the world – concluded that this DEIS is “fatally flawed”:

[I]t is my professional opinion that the document and associated analysis is fatally flawed. The DEIS contains an unacceptable number of deficiencies, omissions and errors for such a large, complex project in an extremely sensitive environment. Due to the global significance of the salmon fishery, any EIS within the Bristol Bay watershed should be held to the highest standard, but the Pebble DEIS does not even meet industry standard practice.^{xxxii}

Similarly, the American Fisheries Society, on behalf of its 7,500 professional fishery scientists and resource managers, found that the DEIS “fails to meet basic standards of scientific rigor.”^{xxxiii} And the Bristol Bay Regional Seafood Development Association concluded that the DEIS is “so riddled with fundamental factual errors, so divorced from the real-world marketplace, and so devoid of adequate analysis that it sacrifices the agency's credibility and calls into question whether the agency possesses the basic competencies needed to evaluate this project.”^{xxxiv}

Despite repeated requests, Pebble has failed to provide any information about the economic viability of the project. Even though this is the largest mine ever proposed in Alaska, and even though the project has been abandoned by four of the world's largest mining companies (Mitsubishi (2011), Anglo American (2013), Rio Tinto (2014), and First Quantum Minerals (2018)), the company has refused to produce for public review even a preliminary feasibility study. Indeed, former Rio Tinto permitting expert Borden raised concerns that, “[i]f the base case mine plan assumed for the EIS is not economic, then the entire permitting process risks being compromised because the impacts and risks being evaluated are much smaller than those required for a full-scale economically viable project.”^{xxxv} Based on his conclusion that the mine has “a strongly negative net present value” of “approximately 3 billion dollars,” Borden found that the

preferred alternative cannot, as federal law requires, be considered “the least environmentally damaging practicable alternative.”^{xxxvi}

Stakeholders are urging the Corps to immediately abandon its reckless approach to NEPA for several reasons. First, its process is wholly inconsistent with a project of this scale, where the impacted communities are geographically dispersed, and its environmental impacts are highly complex. Second, the DEIS lacks important detail, substantive information and environmental baseline data. Without this critical information, it is impossible for the Army Corps and the public to fully analyze the impacts of the proposed project, precluding meaningful public participation. The DEIS fails to appropriately address substantive risks which are at the core of scientific and public concern about the project including the risk of large-scale catastrophic tailings dam failure and risks posed to river water quality by contaminated groundwater seepage. Lastly, Pebble has failed to provide any information about the economic viability of the project. This is the largest mine ever proposed in Alaska, yet Pebble has not yet published even a preliminary feasibility study for the mine design which is being evaluated. Pebble has less than \$20 million in cash – not nearly enough to meet its upcoming obligations, let alone finish the permitting process, let alone build the mine.

The sheer scope and impacts of the Pebble Project are staggering: the 1.4 billion ton, 20-year mine would permanently destroy more than 3,500 acres of wetlands and 80 miles of streams. Touted by the Pebble Partnership as a “small” mine plan because it would only extract 1/8th of the entire deposit, it is clear that this proposal is just the first stage in what the company intends, and its shareholders expect, will be a multi-stage, multi-generational mining project at the headwaters of the Bristol Bay watershed. Under well-established judicial precedent, issuance of a permit based on this kind of segmentation of the environmental review process is illegal.

And the reason for the segmentation is clear. As discussed above, a three-year, twice-peer reviewed scientific assessment by the U.S. EPA irrefutably demonstrated that a mine of the scale and nature currently proposed will have significant and potentially catastrophic impacts on the Bristol Bay watershed.

Should the Pebble Project receive a permit from the Army Corps, lawsuits are inevitable. Given this issue has received intense national attention, the legal opposition will be well-funded and resourced.

6. Reputational Risks

Northern Dynasty Minerals will never obtain the social license to build the proposed Pebble Mine. There is overwhelming local opposition to the Pebble Project by Yup’ik, Denai’na, Alutiq and other indigenous peoples: a survey released this month by the Bristol Bay Native Corporation (BBNC) found that 76 percent of its native shareholders strongly oppose the mine and 85 percent are concerned about the risks that Pebble would pose to Bristol Bay.^{xxxvii} In addition, almost 80 percent of Bristol Bay residents^{xxxviii} and 85 percent of commercial fishermen in Bristol Bay oppose the mine.^{xxxix}

State opposition to the Pebble Mine is also strong. In November 2014, Alaska voters passed—with 65 percent of the vote (or more) in every precinct across the state—the anti-Pebble “Bristol Bay Forever” initiative.^{xl} The initiative requires the Alaska legislature to issue an affirmative finding (in the form of a duly enacted bill) that the mine would not harm wild salmon within the Bristol Bay Fisheries Reserve.

Opposition to the Pebble Mine is not limited to Alaska. For instance, 77 percent of Americans in the lower 48 oppose the Pebble Mine. That opposition crosses ideological, political, gender, and

age group lines.^{xli} The Pebble Mine is also an international pariah. In 2016, the IUCN World Conservation Congress adopted virtually unanimously a motion that opposes the Pebble Mine and urges the United States government to deny any permits.^{xlii} The World Conservation Congress carries significant global clout. Members include 217 countries and government agencies and more than 1,000 domestic and international NGOs, which rely on more than 16,000 experts around the world to address the most significant global threats to conservation.^{xliii} And the Pebble Mine is included in that list of global threats.

Given the local, state, federal and international opposition, any association with the Pebble Project could result in substantial adverse public relations and potential customer and investor backlash, as happened with mountaintop removal mining.^{xliv} Prominent jewelers like Tiffany & Co., Helzberg Diamonds, Zale and Jostens have expressed their opposition to the Pebble Mine and vowed not to use gold extracted from it.^{xlv}

Conclusion

For all of the reasons discussed above, local opposition to the Pebble Project is unwavering. “Thanks but no thanks,” wrote tribal, economic, and political leaders of Bristol Bay in an op-ed published in Alaska. “Bristol Bay has thought this over for a long time, and we have long since made up our minds: Pebble mine is not welcome here. The discussion is over.”^{xlvi}

“The Pebble Mine is, and always will be, the wrong mine in the wrong place,” wrote the chairman of the board of Bristol Bay’s Native Corporation—a multi-billion dollar developer and the largest land-owner in the Bristol Bay region representing over 10,000 native shareholders—in an anti-Pebble op-ed published in connection with Northern Dynasty Minerals’ shareholder meeting.^{xlvii}


Before investing, we suggest that you complete a full analysis of the legal, regulatory, and other significant risks of this uncertain investment. Given the absence of social, regulatory and legal license, we believe that you will find imprudent the expenditure of any funds to advance the Pebble Project, particularly in the absence of a feasibility study to support the economics of a smaller mine plan. This project, simply stated, is bad for business, as each of the former major mining partners ultimately concluded in deciding to abandon it.

We would welcome the opportunity to discuss our concerns with you in further detail at your earliest convenience. On the other hand, if your company does not have current or potential interest in the Pebble Project, we would be happy to be advised of this. Please contact Taryn Kiekow Heimer at tkiekowheimer@nrhc.org or 310-434-2300 for more information or to schedule a meeting. Thank you in advance for your prompt response.

Sincerely,



Robert Heyano
President
United Tribes of Bristol Bay



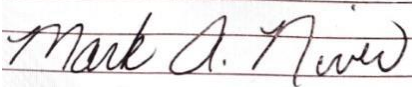
Ralph Andersen
President & CEO
Bristol Bay Native Association



Norm Van Vactor
President & CEO
Bristol Bay Economic Development Corp.



Tim Bristol
Executive Director
Salmon State



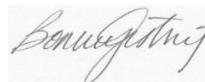
Mark Niver
Representative
Commercial Fishermen for Bristol Bay



Scott Hed
Director
Alaska Sportsman's Alliance



Taryn Kiekow Heimer
Senor Advocate
Natural Resources Defense Council



Bonnie Gestring
NW Program Director
Earthworks

ⁱ Smith Weekly Research Discussion with Ron Thiessen (January 18, 2019), available at: https://www.smithweeklyinternational.com/online/Wq36PU9b5ir8D901JhsdF90cgA1/files/aExbrqSkb0_SWR-DISCUSSIONS-RTHIESSEN-NAK.mp3 (“[O]nce the permit becomes, we can see it, it's out there, it's gonna be a year, 18 months away, the streaming guys take a look at Pebble and go, ‘Oh my God.’ ... So, there's lots of opportunities ... this is a unique, unique project, and there's a tremendous amount of interest in this...”).

ⁱⁱ Letter from Bristol Bay Native Association, United Tribes of Bristol Bay, Bristol Bay Economic Development Corporation, Commercial Fishermen for Bristol Bay, Alaska Sportsman's Alliance, SalmonState, and NRDC to Tom Collier, CEO Pebble Limited Partnership (Jan 23, 2019).

ⁱⁱⁱ Taryn Kiekow Heimer, *Anglo American is Officially Out of Pebble Mine*, NRDC Expert Blog, Dec. 13, 2013, available at <https://www.nrdc.org/experts/taryn-kiekow-heimer/anglo-american-officially-out-pebble-mine>.

^{iv} Joel Reynolds, *Thank You Rio Tinto: British Mining Giant Divests from Pebble Mine, Gives its Stake in the Project to Alaska Charities*, NRDC Expert Blog, April 7, 2014, available at <https://www.nrdc.org/experts/joel-reynolds/thank-you-rio-tinto-british-mining-giant-divests-pebble-mine-gives-its-stake>.

^v Taryn Kiekow Heimer, *First Quantum Was Right to Dump the Pebble Mine*, NRDC Expert Blog, June 24, 2018, available at <https://www.nrdc.org/experts/taryn-kiekow-heimer/alaska-ad-first-quantum-was-right-dump-pebble-mine>.

^{vi} Northern Dynasty Minerals Ltd., Consolidated Financial Statements, For the Years Ended December 31, 2018 and 2017, at 7 (emphasis added), available at <https://www.sedar.com>.

^{vii} Id.

^{viii} Id. (emphasis added).

^{ix} Northern Dynasty Minerals Ltd., Form 20-F, Securities and Exchange Commission, CIK Number 0001164771, for the fiscal year ended December 31, 2004, at 11.

^x Northern Dynasty Minerals Ltd., Management's Discussion and Analysis, Six Months Ended June 30, 2010, at 30.

^{xi} Gunnar Knapp et al., Univ. of Alaska Anchorage Inst. of Soc. & Econ. Research, *The Economic Importance of the Bristol Bay Salmon Industry* (Apr. 2013), available at

<http://fishermenforbristolbay.org/wp-content/uploads/2013/02/CFBB-ISER-FINAL-REPORT-5-10-2013.pdf>.

^{xii} EPA, An Assessment of Potential Mining Impacts on Salmon Ecosystems of Bristol Bay, Alaska, 910-R-14-001A (Jan. 2014), available at https://www.epa.gov/sites/production/files/2015-05/documents/bristol_bay_assessment_final_2014_vol1.pdf.

^{xiii} Alaska Department of Fish and Game Division of Commercial Fisheries, News Release, 2018 BRISTOL BAY SALMON SEASON SUMMARY, available at <http://www.adfg.alaska.gov/static/applications/dcfnewsrelease/989536277.pdf>.

^{xiv} EPA, An Assessment of Potential Mining Impacts on Salmon Ecosystems of Bristol Bay, Alaska, 910-R-14-001A (Jan. 2014), available at https://www.epa.gov/sites/production/files/2015-05/documents/bristol_bay_assessment_final_2014_vol1.pdf.

^{xv} Id.

^{xvi} 33 U.S.C. § 1344(c).

^{xvii} EPA, Proposed Determination of the U.S. Environmental Protection Agency Region 10 Pursuant to Section 404(c) of the Clean Water Act Pebble Deposit Area, Southwest Alaska (July 2014), available at https://www.epa.gov/sites/production/files/2014-07/documents/pebble_pd_071714_final.pdf,

^{xviii} Proposal To Withdraw Proposed Determination To Restrict the Use of an Area as a Disposal Site; Pebble Deposit Area, Southwest Alaska, 82 Fed. Reg. 33123 (July 19, 2017).

^{xix} U.S. EPA, Press Release, EPA Administrator Scott Pruitt Suspends Withdrawal of Proposed Determination in Bristol Bay Watershed, Will Solicit Additional Comments (Jan. 26, 2018), available at <https://www.epa.gov/newsreleases/epa-administrator-scott-pruitt-suspends-withdrawal-proposed-determination-bristol-bay> (emphasis added).

^{xx} U.S. EPA, Resuming Consideration of the Withdrawal of the July 2014 Proposed Determination to Restrict Use of the Pebble Deposit Area as a Disposal Site, available at <https://www.epa.gov/bristolbay/resuming-consideration-withdrawal-july-2014-proposed-determination-restrict-use-pebble>,

^{xxi} *Mingo Logan Coal Co. v. EPA*, 714 F.3d 608, 613-14 (D.C. Cir. 2013)(italics added).

^{xxii} Mike Dunleavy, *Anglo American backing out of Pebble should be a wake-up call for Alaska*, Anchorage Daily News, June 29, 2016, available at <https://www.adn.com/commentary/article/anglo-american-backing-out-pebble-should-be-wake-call-alaska/2013/09/28/>.

^{xxiii} Elwood Brehmer, *DNR approves Pebble permit, with conditions*, Alaska Journal of Commerce, April 11, 2017.

^{xxiv} Trustees For Alaska, *New Pebble permit requires \$2 million bond, Pebble gets one-year permit with strings attached*, April 11, 2017, available at <http://www.trustees.org/new-pebble-permit-requires-2-million-bond/> (Also noting other differences in this year's permit, including: (1) This permit decision was 177 pages; last year's was 39; (2) This permit was issued with an 8-page decision document and a 56 page chart responding to public comments; last years' permit was issued with a single page cover letter; (3) This permit was subject to a 30-day public notice and comment period; DNR has never before had a 30-day public notice and comment period for a Pebble land-use permit; (4) This permit required Pebble to obtain an insurance policy with a minimum coverage of \$2 million and that named the State as an additional insured party; DNR has never before required Pebble to maintain an insurance policy; and (5) This permit was signed by the DNR commissioner; the other land use permits issued to Pebble have been signed by lower level employees within the agency.).

^{xxv} Ballotpedia, *Alaska Bristol Bay Mining Ban, Ballot Measure 4 (2014)*, available at [http://ballotpedia.org/Alaska_Bristol_Bay_Mining_Ban_Ballot_Measure_4_\(2014\)](http://ballotpedia.org/Alaska_Bristol_Bay_Mining_Ban_Ballot_Measure_4_(2014))

^{xxvi} Bristol Bay Native Corporation, Pebble Mine, available at <https://www.bbnc.net/our-corporation/pebble-mine/>.

^{xxvii} Many project components lack adequate description, including: a bulk tailings facility advanced design (including the embankments advanced design); geotechnical data and drain engineering for the tailings dam; pipeline surveys for all alternatives on land and in the Cook Inlet and Iliamna Lake; detailed water treatment and management plans; subsistence baseline data; wildlife management plan; aquatic resource management plan; and road engineering designs.

^{xxviii} For example, the Pebble Partnership will be conducting surveys along the transportation corridor and in Cook Inlet and Iliamna Lake after the close of the DEIS comment period.

^{xxix} U.S. Environmental Protection Agency, EPA's Comments on U.S. Army Corps of Engineers February 2019 Draft EIS - July 1, 2019, available at <https://www.epa.gov/bristolbay/epas-comments-us-army-corps-engineers-february-2019-draft-eis-july-1-2019>; see also EPA's Comments on U.S. Army Corps of

Engineers Draft Section 404 Permit - July 1, 2019, available at <https://www.epa.gov/bristolbay/epas-comments-us-army-corps-engineers-draft-section-404-permit-july-1-2019>.

^{xxx} Letter from U.S. Department of the Interior to Shane McCoy, Program Manager, U.S. Army Corps of Engineers (July 1, 2019).

^{xxx}ⁱ Letter from William Ruckelshaus, William K. Reilly, Christine Todd Whitman, and Bruce Babbitt to Shane McCoy, Program Manager, U.S. Army Corps of Engineers (June 24, 2019).

^{xxx}ⁱⁱ Letter from Richard Borden, Midgard Environmental Services LLC, to Shane McCoy, Army Corps (June 18, 2019).

^{xxx}ⁱⁱⁱ Letter from American Fisheries Society to the U.S. Army Corps of Engineers (June 13, 2019).

^{xxx}^{iv} Comments from Faegre Baker Daniels LLP to U.S. Army Corps of Engineers (June 28, 2019).

^{xxx}^v Letter from Richard Borden, Midgard Environmental Services LLC, to Shane McCoy, Army Corps (Mar. 28, 2019).

^{xxx}^{vi} *Id.*

^{xxx}^{vii} BBNC Shareholders Voice Strong Opposition To Pebble Mine In Recent Survey (July 16, 2019), available at <https://www.bbnc.net/bbnc-shareholders-voice-strong-opposition-to-pebble-mine-in-recent-survey/>.

^{xxx}^{viii} United Tribes of Bristol Bay, *Local Polling By Tribes Shows Regional Opposition to Pebble Mine*, July 19, 2018, available at <http://utbb.org/local-polling-by-tribes-shows-regional-opposition-to-pebble-mine/>.

^{xxx}^{ix} Bristol Bay Regional Seafood Development Association, Survey: Bristol Bay fishermen strongly opposed to Pebble Mine (June 2011), available at <http://www.bbrsda.com/survey-bristol-bay-fishermen-strongly-opposed-to-pebble-mine/>.

^{xl} Ballotpedia, *Alaska Bristol Bay Mining Ban, Ballot Measure 4 (2014)*, available at [http://ballotpedia.org/Alaska_Bristol_Bay_Mining_Ban,_Ballot_Measure_4_\(2014\)](http://ballotpedia.org/Alaska_Bristol_Bay_Mining_Ban,_Ballot_Measure_4_(2014))

^{xli} Taryn Kiekow Heimer, *First Poll in Lower 48 Shows Strong Majority of Americans Oppose Pebble Mine*, NRDC Expert Blog, Dec. 6, 2011, available at <https://www.nrdc.org/experts/taryn-kiekow-heimer/first-poll-lower-48-shows-strong-majority-americans-oppose-pebble-mine>.

^{xlii} IUCN World Conservation Congress, *Protecting the world's greatest salmon fishery in Bristol Bay, Alaska from large-scale mining*, final version as adopted, Nov. 7, 2016, available at <https://portals.iucn.org/congress/motion/057>.

^{xliii} Taryn Kiekow Heimer, *NRDC Ad Celebrates Global Opposition to the Pebble Mine*, NRDC Expert Blog, Sept. 15, 2016, available at <https://www.nrdc.org/experts/taryn-kiekow-heimer/nrdc-ad-celebrates-global-opposition-pebble-mine>.

^{xliv} *E.g.*, Tom Zeller, Jr., *Banks Grow Wary of Environmental Risks*, NY Times, Aug. 30, 2010.

^{xl}^v Margot Roosevelt, *Retailers to Hold Mine to Higher Gold Standards*, LA Times, Feb. 12, 2008.

^{xl}^{vi} Ralph Andersen et al., *Pebble advisers must know the answer is still no*, Anchorage Daily News, Aug. 19, 2017, available at <https://www.adn.com/opinions/2017/08/19/pebble-advisors-must-know-the-answer-is-still-no/>.

^{xl}^{vii} Joe Chythlook, *Proposed Pebble Mine a non-starter for Alaska*, Vancouver Sun, Sept. 13, 2017, available at <http://vancouversun.com/opinion/op-ed/opinion-proposed-pebble-mine-a-non-starter-for-alaska>.